

COVENANT FINANCIAL CORPORATION

	CPP Disbursement Date 06/05/2009	RSSD (Holding Company) 3212046	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2009 \$ millions	2010 \$ millions	%chg from prev		
Assets	\$263	\$247	-6.2%		
Loans	\$174	\$171	-1.7%		
Construction & development	\$16	\$15	-6.1%		
Closed-end 1-4 family residential	\$31	\$30	-2.5%		
Home equity	\$3	\$3	-0.3%		
Credit card	\$0	\$0			
Other consumer	\$9	\$8	-15.2%		
Commercial & Industrial	\$40	\$29	-25.6%		
Commercial real estate	\$52	\$60	14.0%		
Unused commitments	\$24	\$16	-31.3%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$7	\$5	-24.9%		
Asset-backed securities	\$0	\$0			
Other securities	\$32	\$26	-19.6%		
Cash & balances due	\$27	\$21	-24.1%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$240	\$224	-6.6%		
Deposits	\$194	\$192	-1.2%		
Total other borrowings	\$44	\$30	-30.8%		
FHLB advances	\$25	\$23	-9.8%		
Equity					
Equity capital at quarter end	\$23	\$22	-2.0%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$5	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	9.0%	8.8%	--		
Tier 1 risk based capital ratio	11.1%	10.7%	--		
Total risk based capital ratio	12.3%	11.9%	--		
Return on equity ¹	-8.5%	-2.5%	--		
Return on assets ¹	-0.8%	-0.2%	--		
Net interest margin ¹	3.5%	3.7%	--		
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	95.1%	62.4%	--		
Loss provision to net charge-offs (qtr)	177.8%	102.8%	--		
Net charge-offs to average loans and leases ¹	1.7%	0.9%	--		
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	1.2%	0.0%	0.1%	0.0%	--
Closed-end 1-4 family residential	0.8%	1.0%	0.2%	0.6%	--
Home equity	0.0%	2.7%	0.0%	0.0%	--
Credit card	0.0%	0.0%	0.0%	0.0%	--
Other consumer	0.2%	0.5%	0.9%	0.7%	--
Commercial & Industrial	0.5%	0.1%	0.9%	0.1%	--
Commercial real estate	3.7%	5.4%	0.5%	0.1%	--
Total loans	1.5%	2.2%	0.5%	0.3%	--